



*Trends & Key Drivers Shaping  
The Future of Transit Across Alaska*

October 26, 2011

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Southeastern Institute of Research

**A Foundation For  
Your Strategic Plan**

**Formulate  
A Vision**

**Identify  
Trends**

**Formulate  
Strategy**

**Create Goals,  
Objectives,  
Action Plan**



## Today's Agenda

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- 1 Strategic Planning**
- 2 Review - Your Vision**
- 3 Trends Reshaping Alaska**
- 4 Next Steps In Developing Your Plan**

## Analysis of State Long-Range Transportation Plans

Review a set of 15 of the  
most recently updated SLRPs.

[www.fhwa.dot.gov/planning/statewide/anaswplans.htm](http://www.fhwa.dot.gov/planning/statewide/anaswplans.htm)





**SAW**  
**Principle:**  
**Safe And Wimpy**

**Big Hairy**  
**Audacious Goal**

- Jim Collins



*Ageless*

**The Best Place  
To Live & Work  
At Any Age**



# The 999 Plan

4

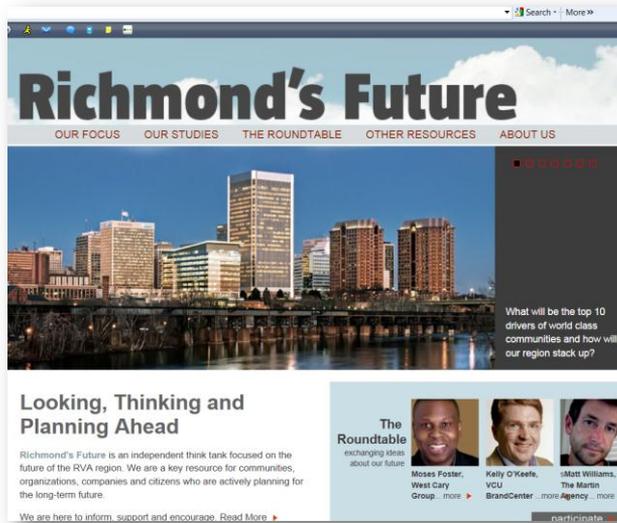
**Everyone Lives  
The Plan**



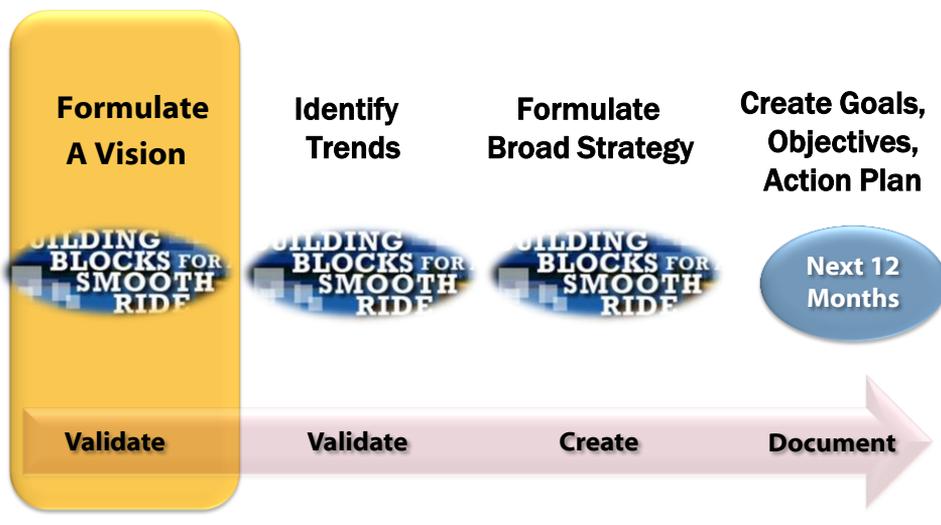


**Change Is Constant  
You Don't Need A  
30 Year Plan.  
You Need Future Forward  
Insights To Advance The  
Conversation.**

[www.richmondfuture.org](http://www.richmondfuture.org)



## A Foundation For Your Strategic Plan



2010 Alaska Community Transportation  
Pre-Conference Survey

*In three sentences or less,  
describe how you see the  
future of Alaska's  
transit system...*

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# National Model

*“... It's a **world prototype** ... being tested right here in Alaska. Our new ride on time scheduling system, with our new fleet of full, mid and mini buses and rail systems ... changing transportation in the future.”*

---

**Customer  
Focused**

*“It is a convenient,  
responsive and  
comfortable way to  
get around town.”*

---

*“The bus used to stop at  
the bottom of the hills so I  
couldn't take it to work,  
but now it goes all the way  
up the hill.”*

# Integrated System

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*“... transit will be **interconnected across the state** and will be multimodal (vans, trains, buses, ferries, air service, etc.)”*

*“... works well because of the **integrated bus and rail schedules** and extensive service area.”*

# Serves All Alaskans

---

*“... Nicely serves 90% of our community within a short walk, and takes people to their essential service needs and to recreational and cultural spots. Transit is critical to our economy and our quality of life.”*

# Vital Link

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*“... will meet the full mobility needs of **connecting Alaskans to family, work, education healthcare, and recreation** while contributing to the environment and economy.”*

# Indispensible

---

*“... is **vital to our communities;**  
providing safe,  
frequent service to  
meet the needs of  
our residents.”*

*“... I can't remember  
what my community  
was like without it!*”

---



*Alaska's community transit systems is a ...  
National model ... of a  
customer-focused ...  
integrated system ...  
that provides all Alaskans ...  
a vital community link ...  
that's simply indispensable.*

## A Foundation For Your Strategic Plan



## **SIR Transportation & TDM Research**

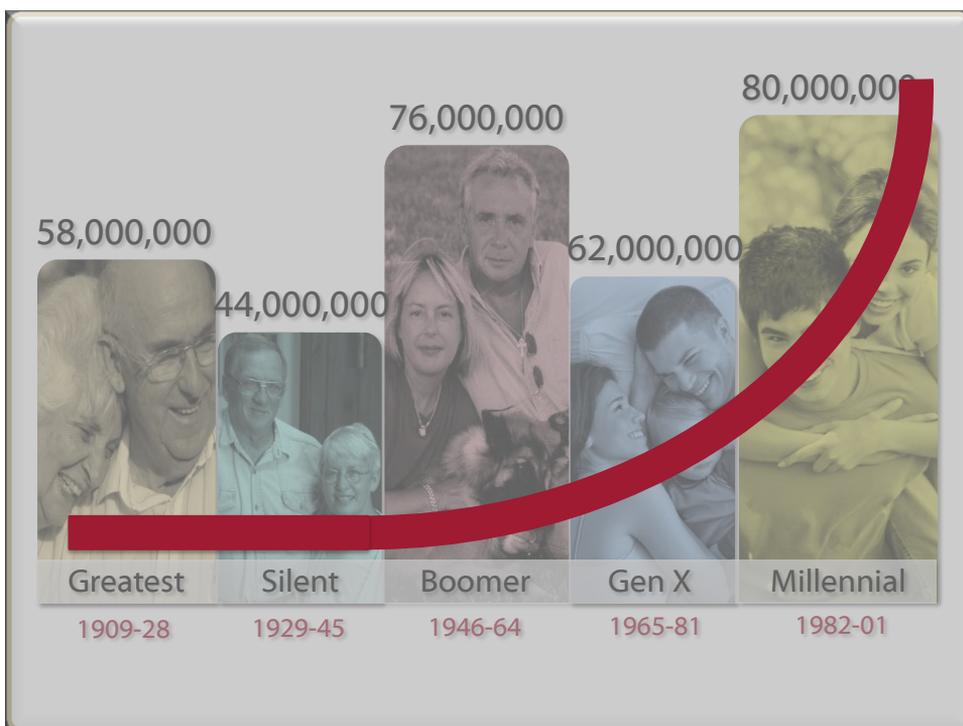
- ❖ **Community Impact of Transit & TDM Program**
- ❖ **Comprehensive Operational Audits**
- ❖ **Congestion Mitigation Planning**
- ❖ **Coordinated Human Services Research**
- ❖ **Commuter Mode Choice Research**
- ❖ **Corridor Development & Growth Research**
- ❖ **Employer Benefits and Employer Outreach Studies**
- ❖ **Fixed and Variable Toll Pricing Studies**
- ❖ **HOT Lanes & Congestion Pricing Studies**
- ❖ **Marketing Program Performance & Impact Assessment**
- ❖ **New Transit Services Development**
- ❖ **Resident Satisfaction Research**
- ❖ **Smart Tag / Easy Pass**
- ❖ **State of the Commute Research**
- ❖ **Transit Customer Satisfaction Research**

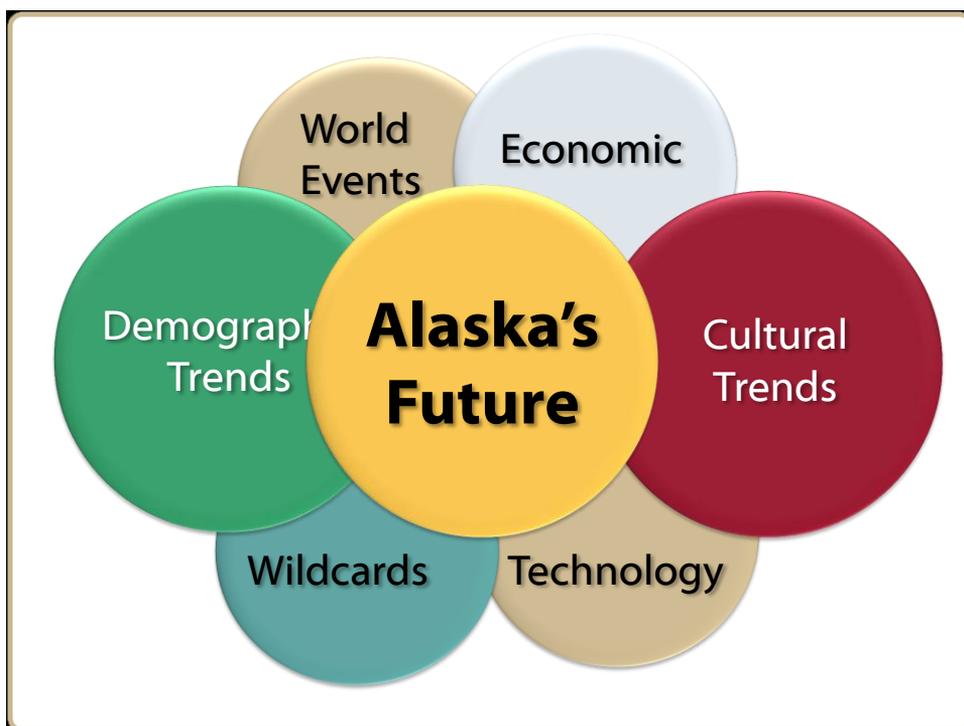


# **Assumptions**

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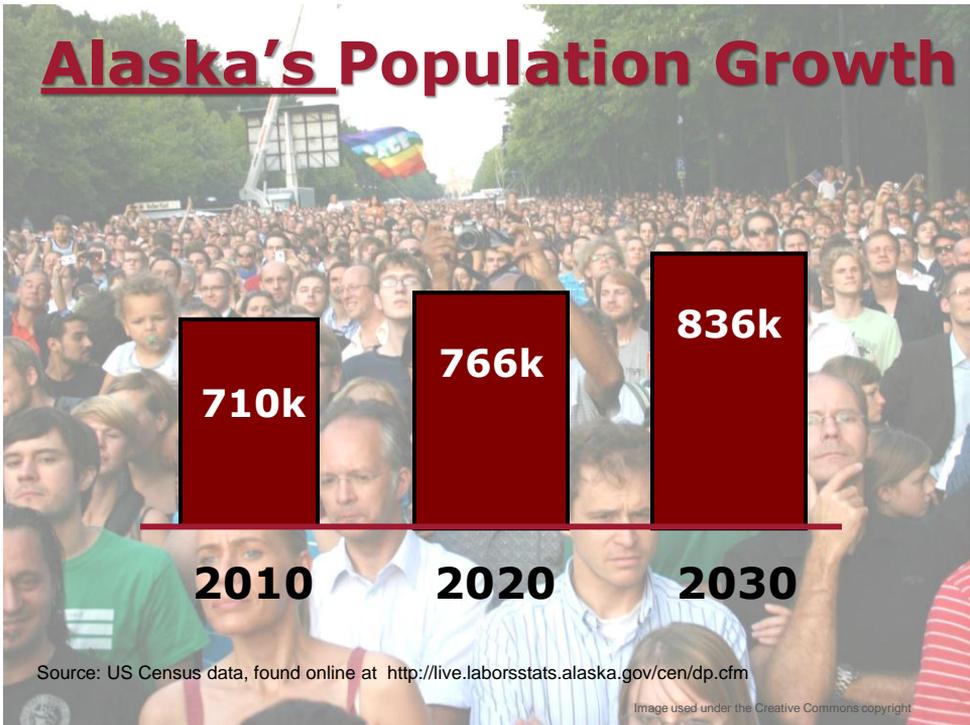


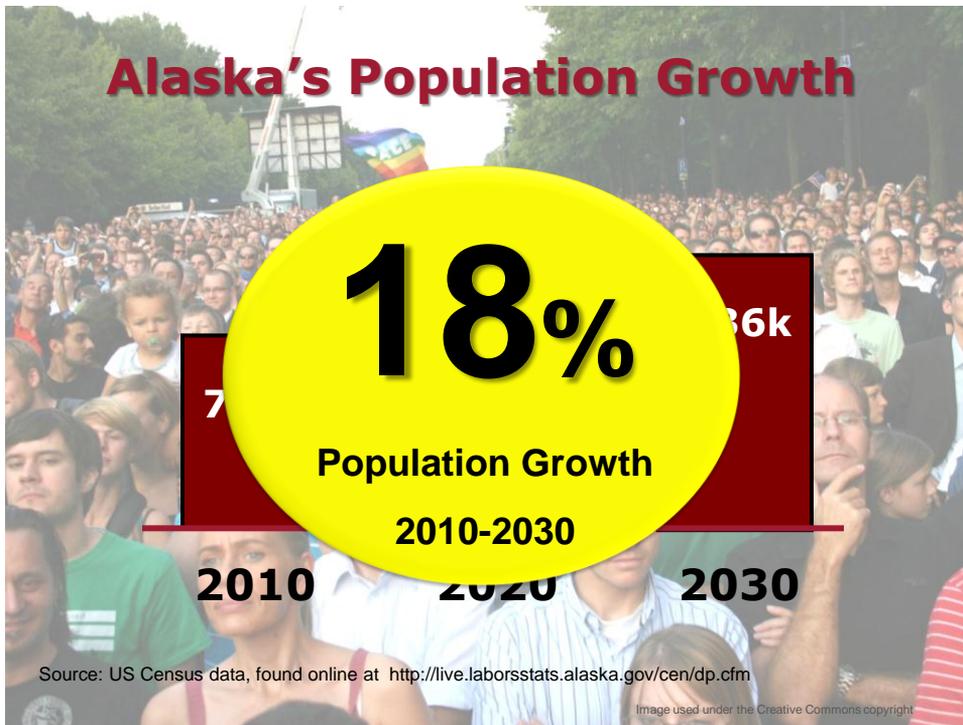




*Shift #1*

# Increasing Population





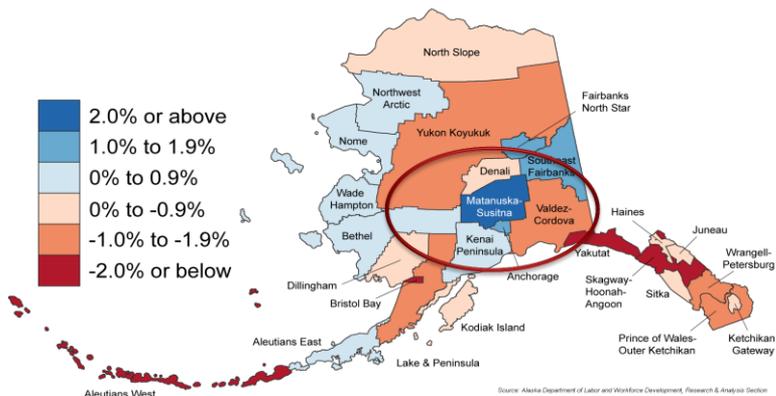
## Alaska Transit's Future Built-in Increase In Transit Demand

# Shift #2

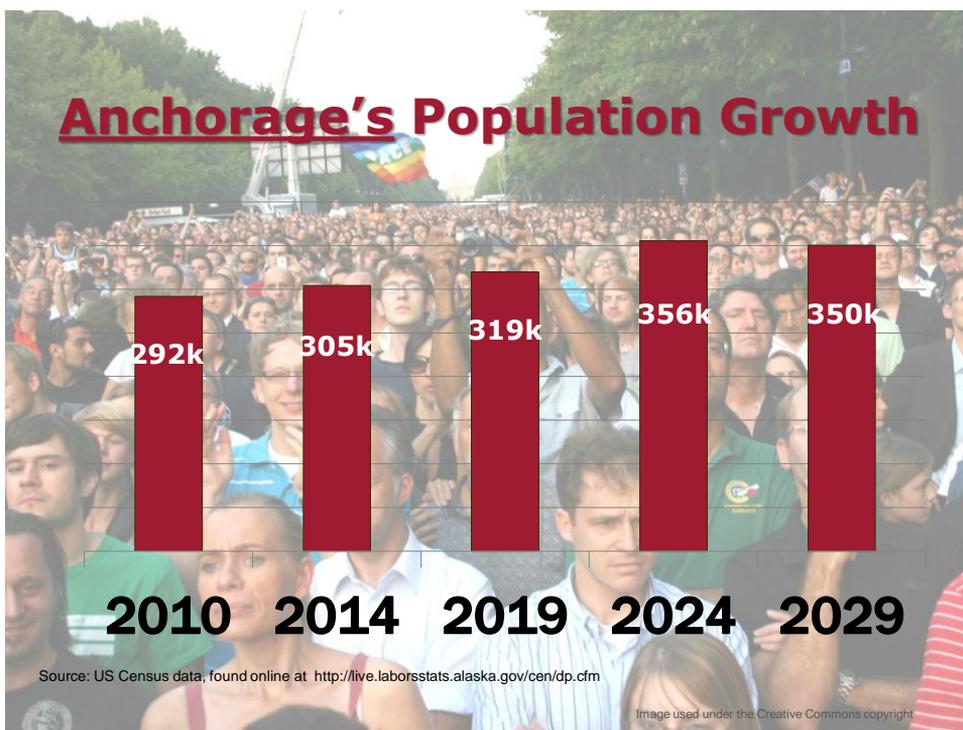
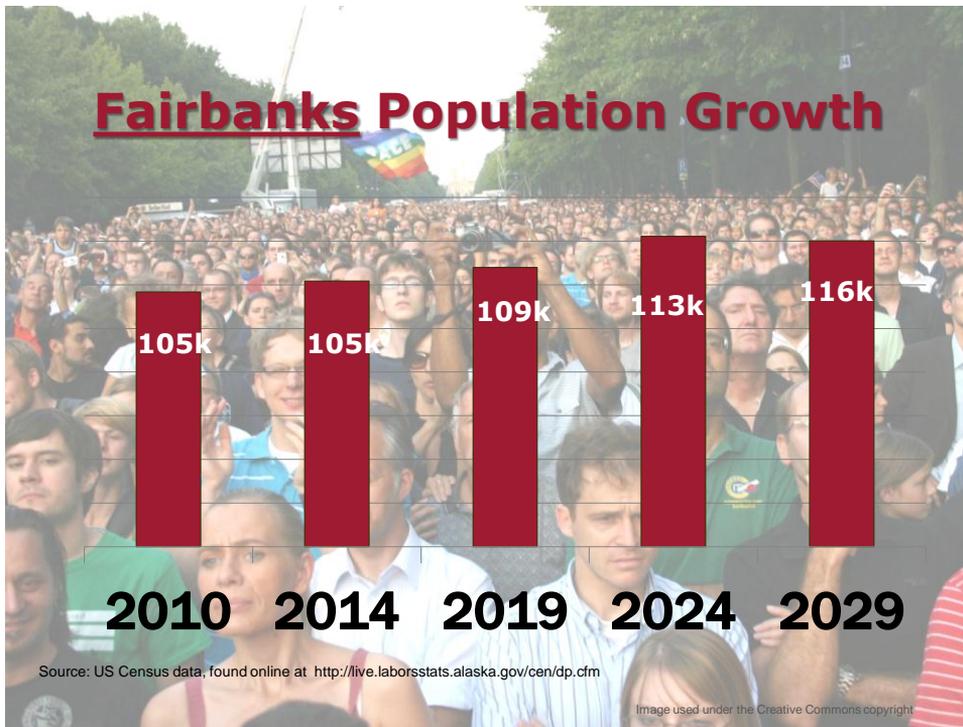
# Increasing Urbanization

## Increasing Density

Average Annual Growth Rate 2000-2009



**Source: Alaska Dept. of Labor & Workforce Development**



# 20%

of survey participants plan to leave the area in the coming 5 years and 77% point to the lack of job opportunities in their community.

Source: "Enduring Ties to Community and Nature: Charting an Alternative Future for Southeast Alaska," Carsey Institute, Winter 2011.



**Alaska Transit's Future**

**Growing  
Urban  
Systems**

*Shift #3*

# Growing Diversity

## Alaska's Non-White Population 2010-2030

### Black or African American



### Asian & Pacific Island



### Hispanic



### American Indian / Alaska Native



# Today

**80% of the rapidly expanding senior population is white**



Brookings Institution



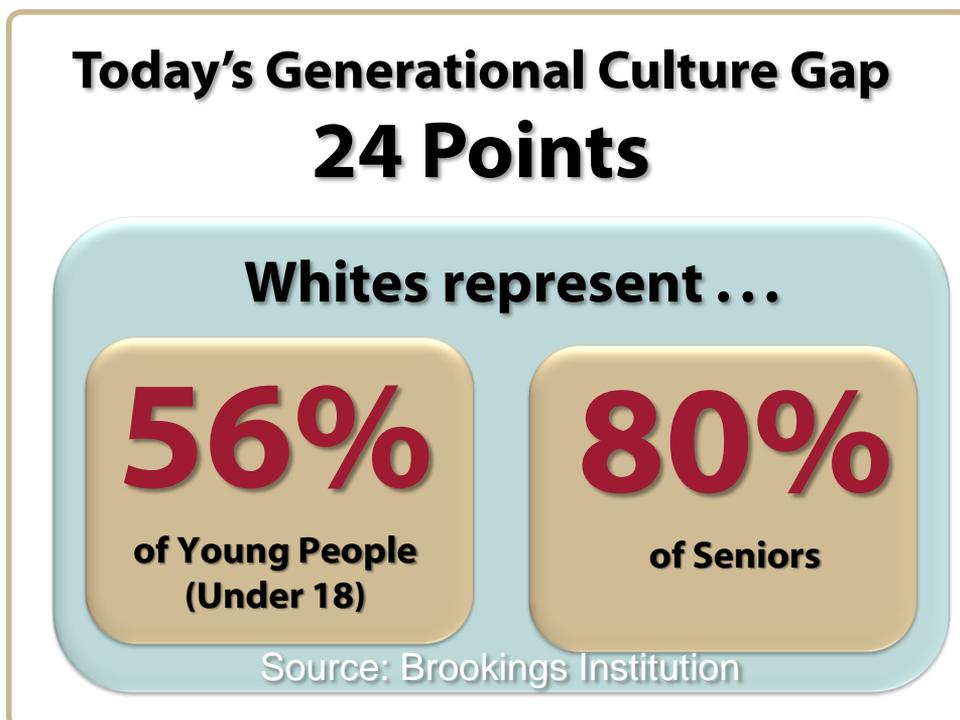
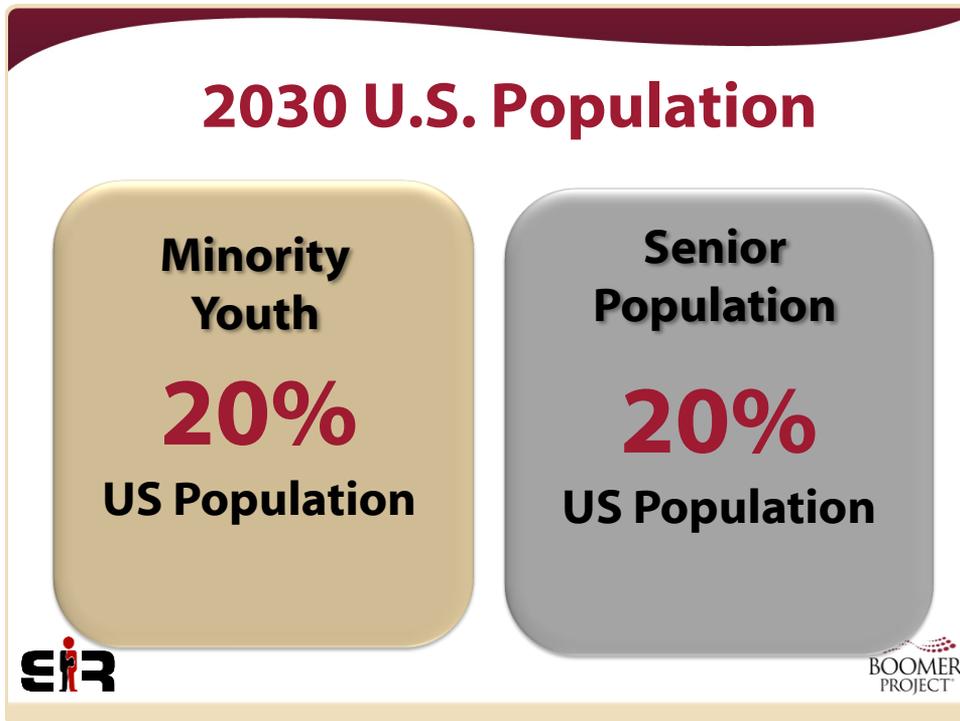
# 2030

**70% of America's seniors will still be white**



Source: Brookings Institution





## Politics of The Issue

**Minority  
Population**

**62%**

**Want Big  
Government**



**Senior  
Population**

**62%**

**Don't Want Big  
Government**



## Politics of The Issue

**Minority  
Population**

Tends to view government education, health, and social-welfare programs as **helpful support for their children**



**Senior  
Population**

Resistant to taxes and public spending beyond transportation



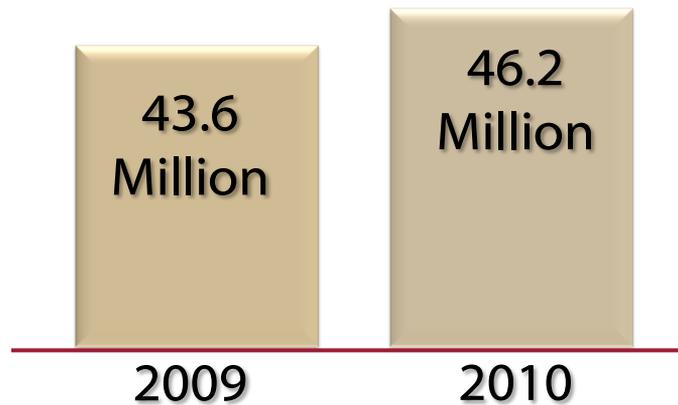


**Alaska Transit's Future  
Transit &  
Mobility  
Improvements  
As The Common  
Ground**

*Shift #4*

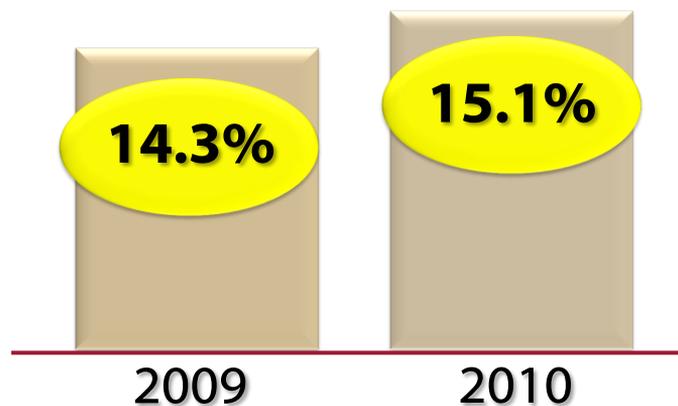
**Growing  
Poverty**

## Americans Living in Poverty



Source: Census Bureau

## Americans Living in Poverty



Source: Census Bureau

## Alaskan's Living in Poverty

second-lowest with Connecticut, Maryland, and New Jersey



Source: Census Bureau

## Housing

# 34%

2010 percent of average  
HH annual expenditures

Division of Consumer Expenditure Survey, Office of Prices and Living  
Conditions, Bureau of Labor Statistics

## **Transportation**

# 16%

2010 percent of average  
HH annual expenditures

Division of Consumer Expenditure Survey, Office of Prices and Living  
Conditions, Bureau of Labor Statistics

## **Housing & Transportation**

# 50%

2010 percent of average  
HH annual expenditures

Division of Consumer Expenditure Survey, Office of Prices and Living  
Conditions, Bureau of Labor Statistics

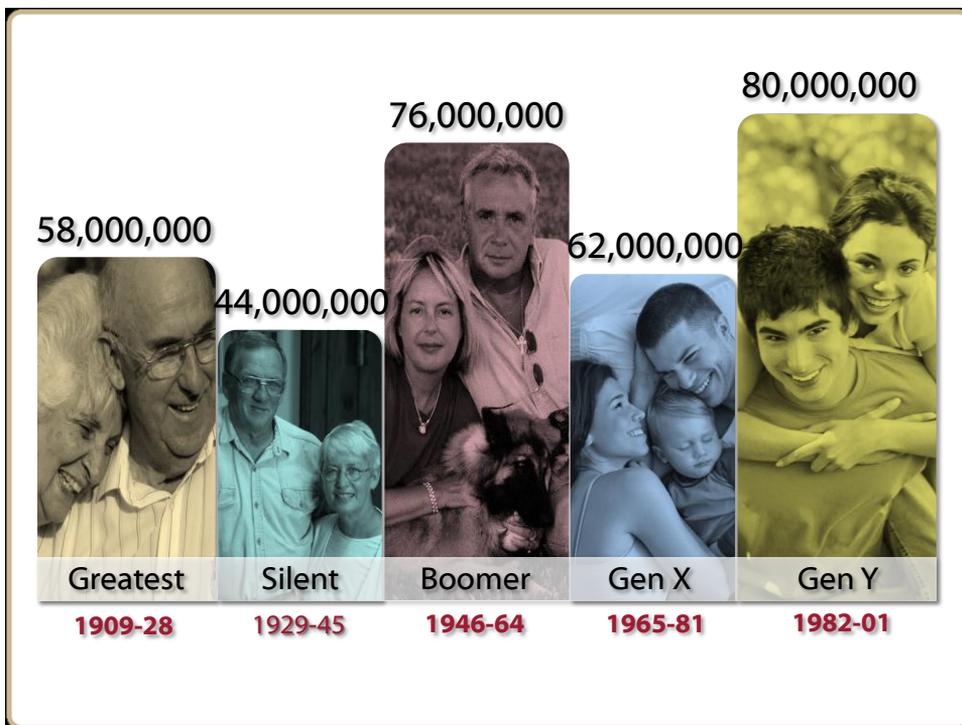


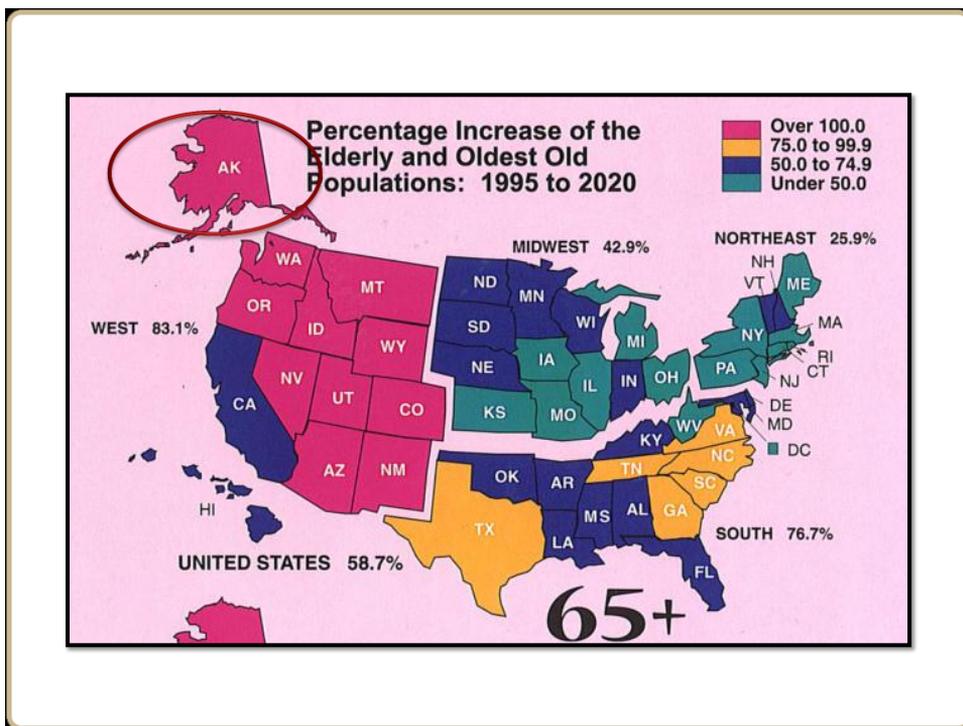
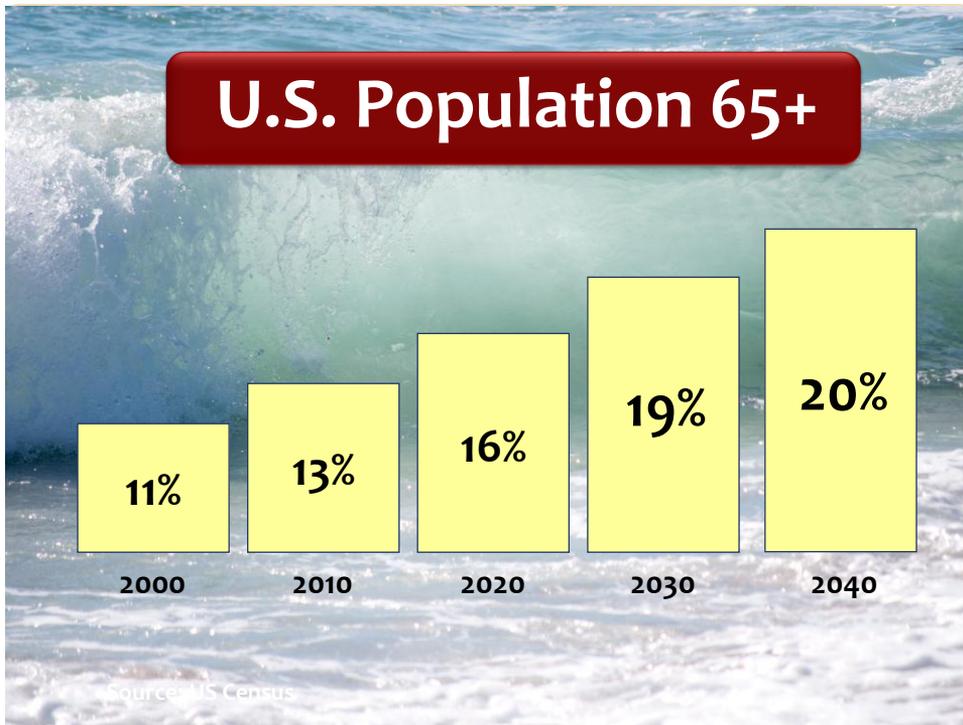
**Alaska Transit's Future**

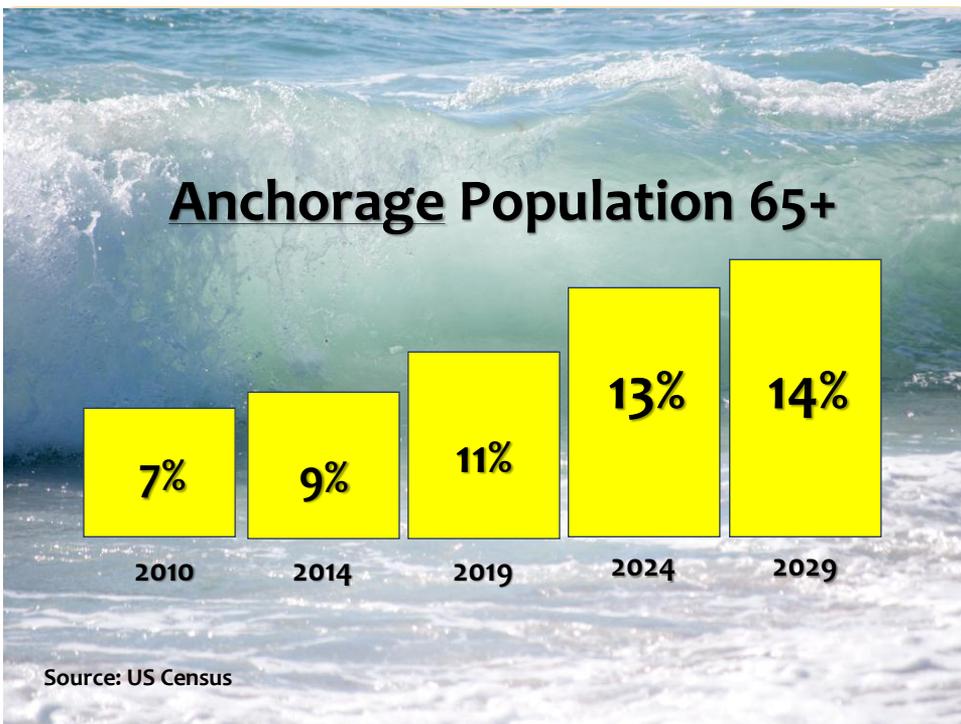
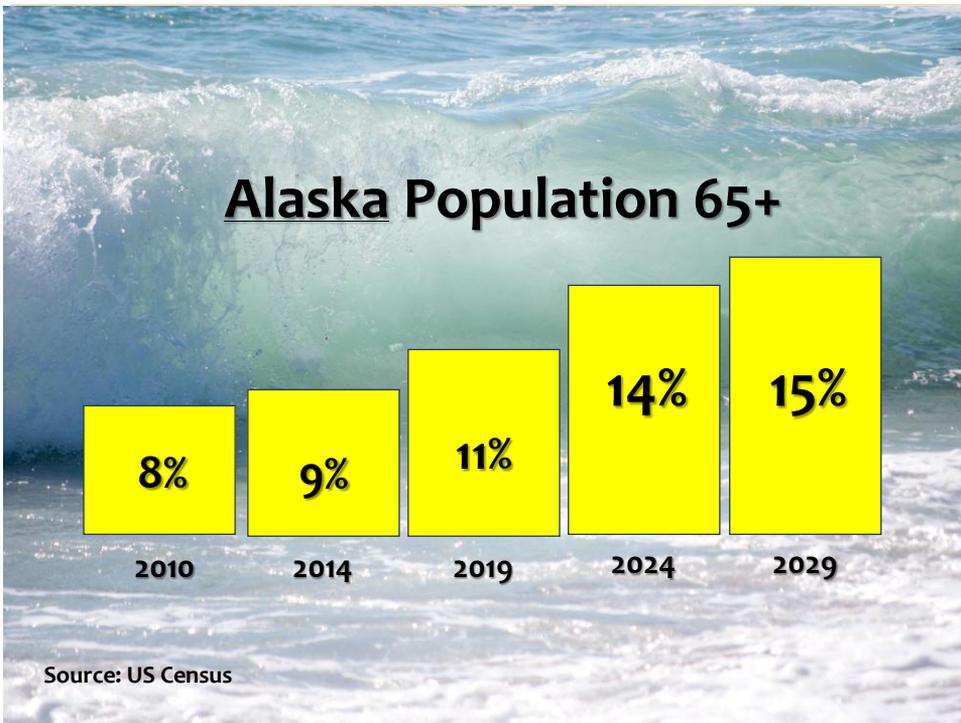
**Transit As  
Growing  
Community and  
Workforce  
Service**

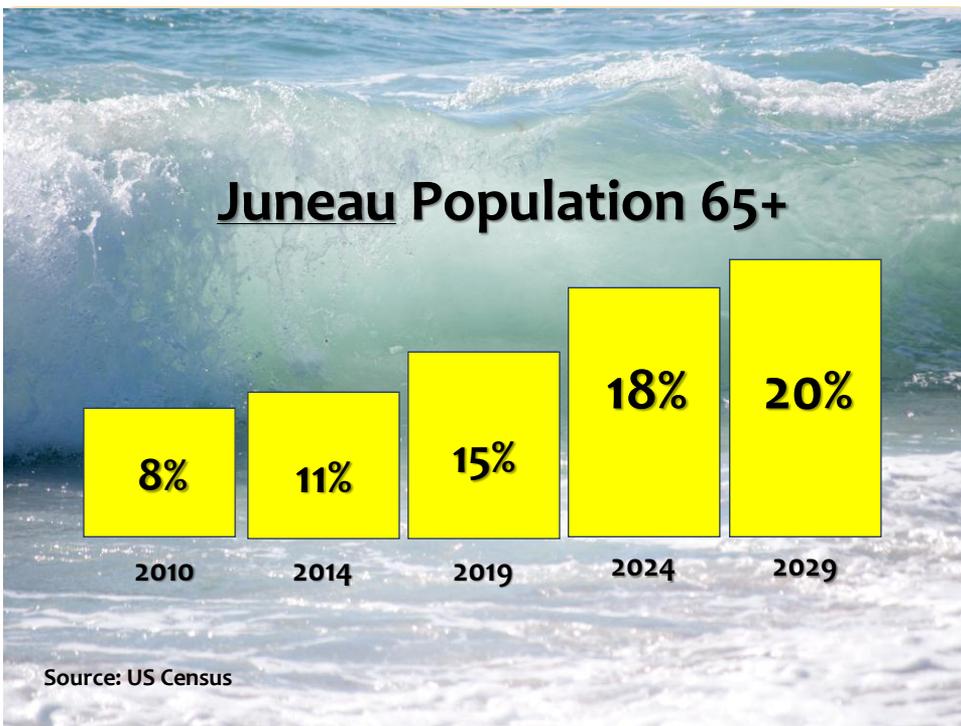
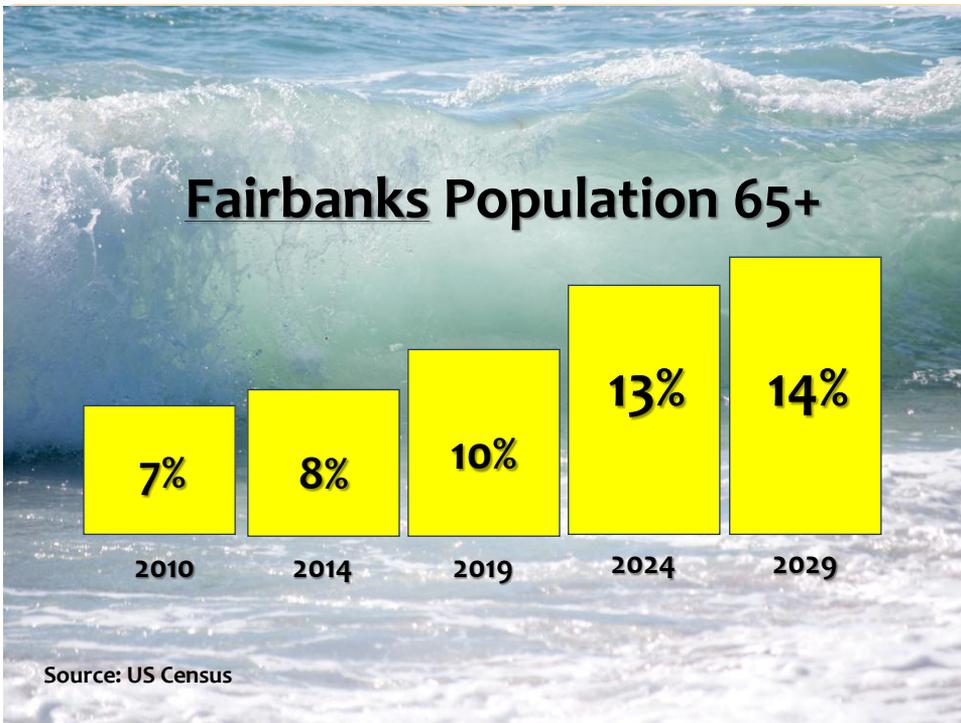
*Shift #5*

**Shifting  
Generational  
Dynamics**









# What's Driving The Increase of The Senior Population?



**1**

## Shifting Birth Rates



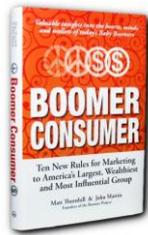
**2**

## **Extended Life Expectancy**



**Question?**

**Just Double  
The Same Senior  
Services?**



## Understanding Boomers



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Psychology

Sociology

Anthropology



## Silent Generation

28 million

Age 66+

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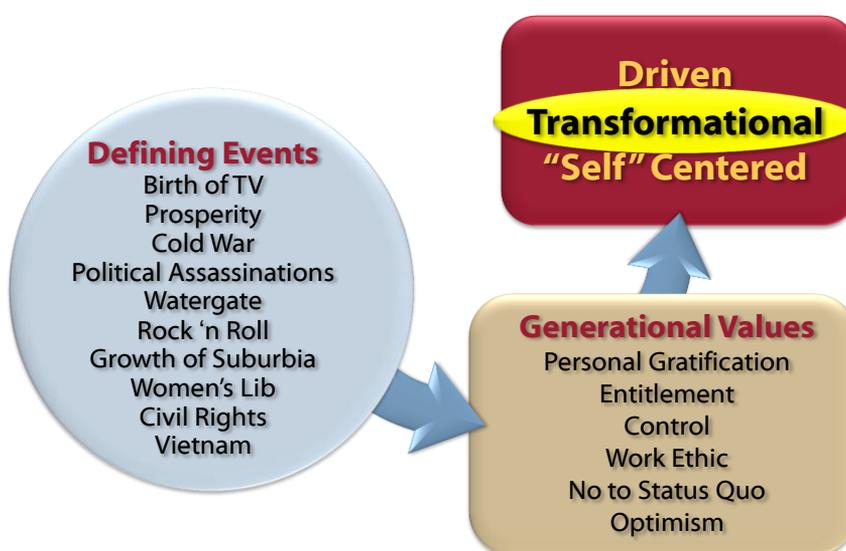
## Culture's Impact: Silent Generation



## Generational Mindsets

	<u>Silent</u>	<u>Boomers</u>
<b>Outlook</b>	Practical	Optimistic
<b>Work Ethic</b>	Dedicated	Driven
<b>View of Leadership</b>	Hierarchy	Pay your dues
<b>Change</b>	Cautious	Deliberate
<b>Orientation</b>	Selfless	Self-centered

## Culture's Impact:





**88%**  
plan to  
“live at home”

Source: 2008 Older Dominion Partnership

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**58%**

**It Would Be Very Difficult to Stay  
In Their Current Home If They  
Were No Longer Able to Drive**

Q27. If you were not longer able to drive, how difficult would it be for you to continue living in your current home?

Source: Older Dominion Partnership 2008 Residents Study





**The Future**  
**More People**  
**With Mobility**  
**Challenges**

**Boomers**  
**Ready For**  
**Transit?**

# Transit Ready for Boomers?

## Culture's Impact: Gen Y

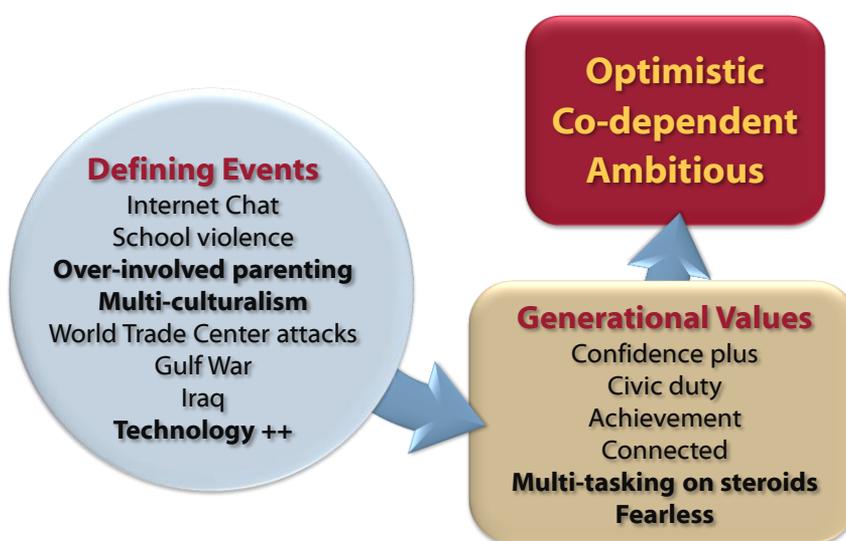


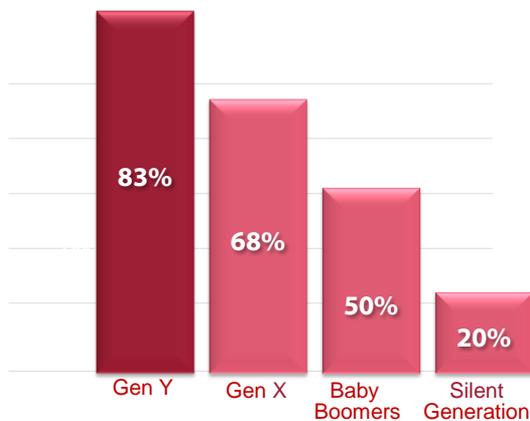


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**Younger Generations  
More Oriented  
Toward  
Civic Causes**

## Gen Ys 24/7 Access To Cell Phones

Do you sleep with your cell phone?  
% saying yes



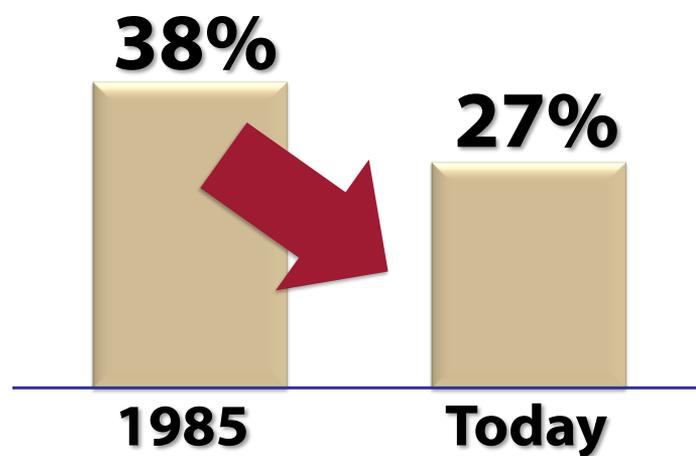
**SIA** Source: Pew Research Center

**BOOMER PROJECT**

**Digital  
Natives**

**Gen Y's  
Are Much  
Less Car-  
centric**

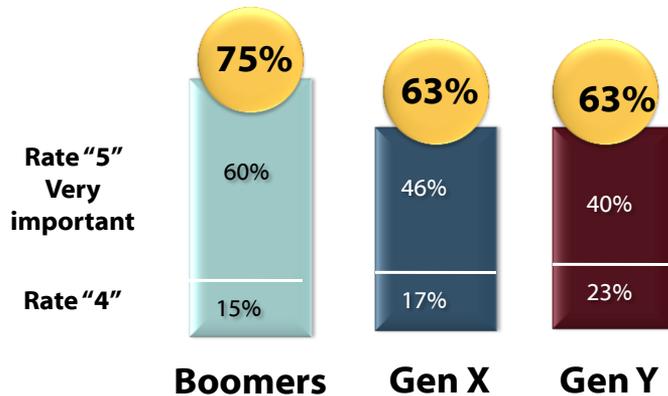
**The Percentage of New Cars Sold  
To 21- to 34-year-olds**



Source: CNW Research.

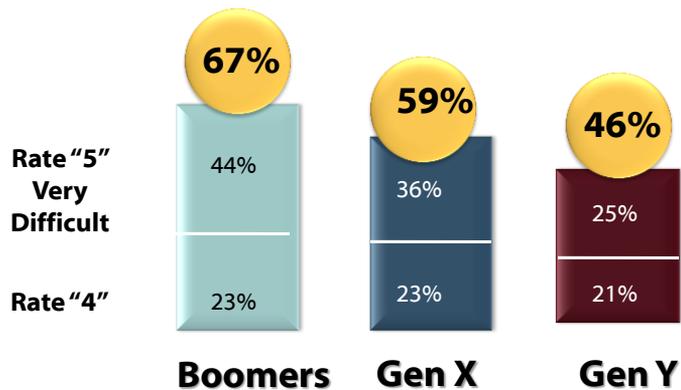
### Question:

How important to you is it to have your own vehicle?



### Question:

How difficult would it be to manage and conduct your daily activities without a vehicle?



## Why the Change?

- Younger generations “work to live” – they want 9-5 work schedules
- They can’t afford 2.5 cars
- Lack of money/job
- Average college debt is \$23,000

**88%**

Gen Ys want to be  
in an urban setting

Source: RCLCO

“



## **The Future**

**Generational  
Dynamics  
Aligning With  
Transit**

*Shift #6*

**Increasing  
Interest In Alaska**

**70**

Alaska's known sites  
of rare earth minerals



**5B**

Cell Phones





**Alaska Transit's Future**  
**Access To Natural**  
**Resources Will Push**  
**Need For Greater**  
**Transportation**  
**Infrastructure**

*Shift #7*

**Greening**  
**Of Society**

2006  
**Green is  
 Mainstream:**

-----  
**78%**  
 think or act  
 "Green"

Source: 2006 BP Study



People Are  
 "Greener"  
 Today Than  
 They Were 3  
 Years Ago

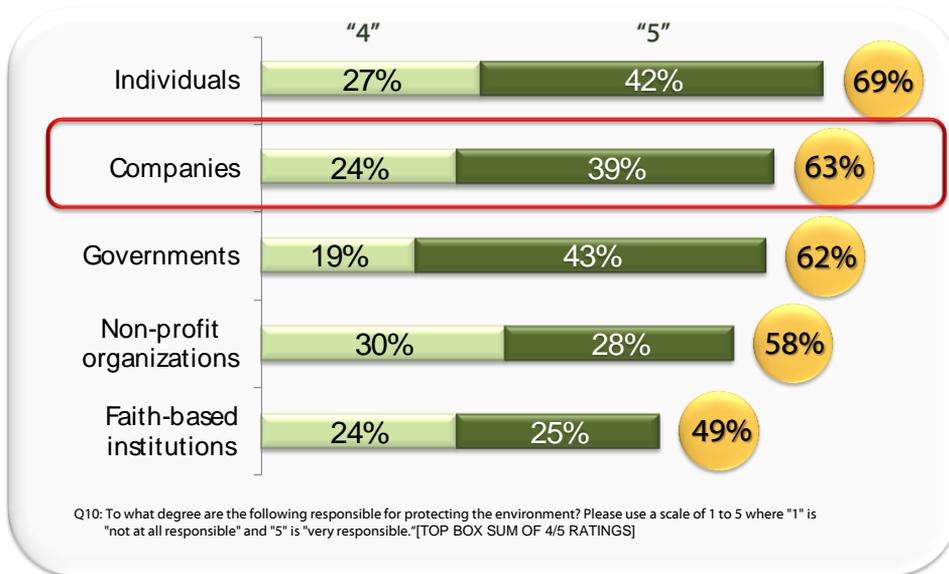
Green Behavior	Net Increase
Use compact fluorescents	60%
Recycle	59%
Use cloth bags	56%
Buy green products	49%
Turn off lights/appliances	43%
Buy local produce	40%
Use energy efficient appliances	39%
Drive less	34%
Turn thermostat down	32%
Conserve water	31%
Use transit/carpool	18%
Drive a hybrid/fuel efficient car	4%



Source: 2009 ACCS Green Study



## People feel **companies** have a role in protecting the environment



# 1 in 3

would be more inclined  
to work for a "green" company.

# 6 in 10

think their current employer should be doing  
more to be environmentally responsible.

**50%**  
of Virginia CEOs Say  
“Being Seen as Green”  
Is Important



Older Dominion Project Executive Survey, February 2008

Image used under the Creative Commons copyright



**Alaska Transit's Future**

**Transit As  
Community  
Example of  
Sustainability**

*Shift #8*

# Responsible Consumerism

**For All Consumers**

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**New  
Frugality**

**=**

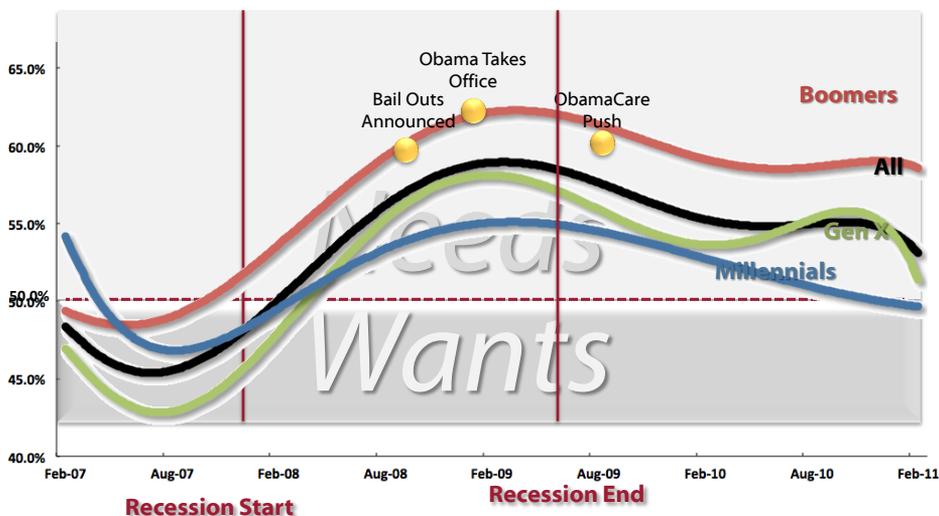
**Spend less,  
live smarter,  
have smaller  
personal  
footprint**

# 74%

of Americans say they are **living a simpler life – spending less**, being **more frugal**, not trying to keep up with the Joneses – as a result of the recession

Source: American Pulse™ survey of 5,079 Americans; May 5, 2010

## Over the last six months, I have focused more on what I NEED rather than what I WANT



Source: Analysis of BIGresearch CIA Trend Report, March 2011, by the Boomer Project.

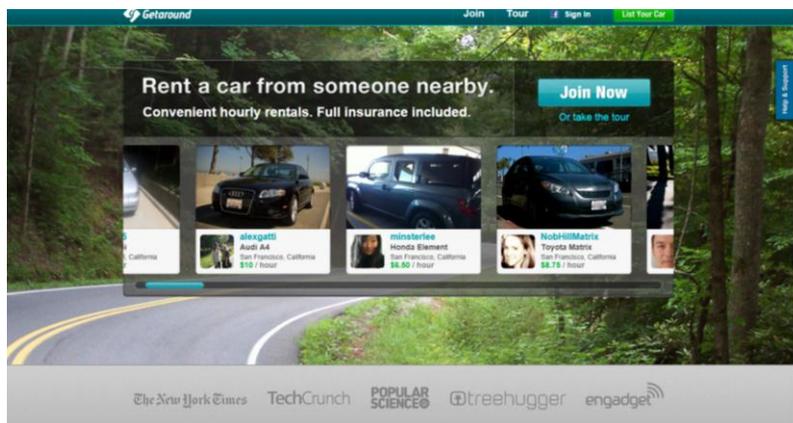


## Collaborative Consumption

Access to goods and skills is more important than ownership of them

\$100 Billion by 2016  
Source: Frost & Sullivan

# www.getaround.com





## Car-sharing in North America \$3.3 Billion by 2016

Source: Frost & Sullivan



## 4.0 Share Offline Assets

### **Collaborative Consumption**

Access to goods and skills is more important than ownership of them

\$100 Billion by 2016  
Source: Frost & Sullivan

---



### **Alaska Transit's Future**

**Greater  
Alignment with  
Consumers'  
Mindset**

*Shift #9*

# Personal Empowerment

**The future is M-Commerce**



8 million downloads

**Every person  
is just as powerful  
as a newspaper**

***“Clout Scores”***  
**The Size of  
Your Network**

*New World Order*

**The Individual  
Over The  
Corporation**

**The Flip Side**

**Of Personal Empowerment**

**The Flip Side**

## The Flip Side of Personal Empowerment: Erosion of Trust

*Percent of public that trusts the government most of the time or always .....*

<b>Federal government</b>	<b>26%</b>
<b>State government</b>	<b>33%</b>
<b>Local government</b>	<b>52%</b>

Source: 2010 CNN/Opinion Research Corporation

### Alaska Transit's Future

**Model Example  
of A Purposeful  
Industry**



*Shift #10*

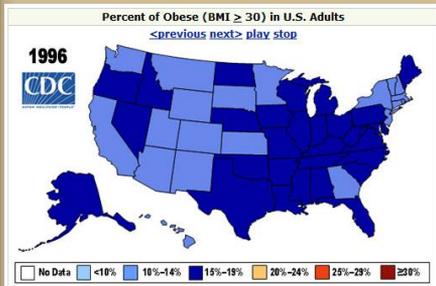
# Healthcare Everywhere

## Healthcare Drivers



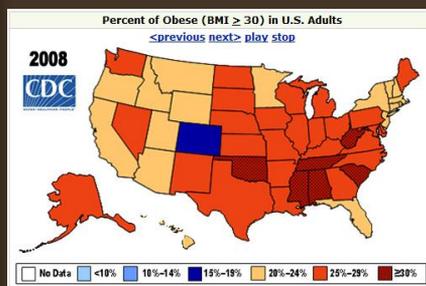
## In a dozen years...

**1996: Less than 1 in 5 adults are obese**



**No state's adult population is more than 20% obese**

**2008: More than 1 in 3 adults are obese**

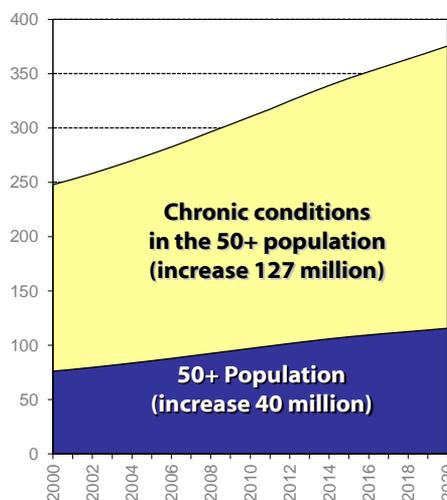


**Only one state's adult population is less than 20% obese**

## Growth of Chronic Conditions Outpacing 50+ Population Growth

The demand for health products will grow more rapidly than the 50+ population because of the prevalence of multiple conditions.

**"Chronic Condition"**  
≠  
**Sick or Ill**



Source: Analysis of NCHS Data, 2003

Healthcare Economy

BusinessWeek

If current trends continue,

**30% to 40%**

of all new jobs created

over the next **25** years will be in

**health care.**

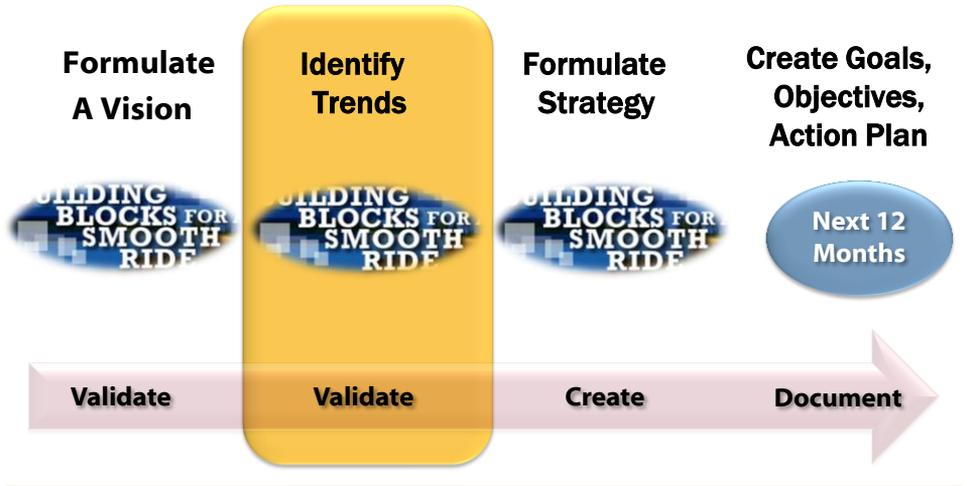
## **Age Ready Retailers**

**Layout/Design  
Merchandising  
Lighting  
Shelf Displays  
Music/Sound  
Graphics/Color  
Customer Service**



**Welcome to  
Your Future**

# A Foundation For Your Strategic Plan



*Alaska's community transit systems is a ...*

***National model ... of a  
customer-focused ...  
integrated system ... that  
provides all Alaskans ... a vital  
community link ... that's  
simply indispensable.***





**Alaska Transit's Future**

**Most Trends Are  
Tailwinds, Not  
Headwinds**



**3**

**Focused On Point  
of Leverage**

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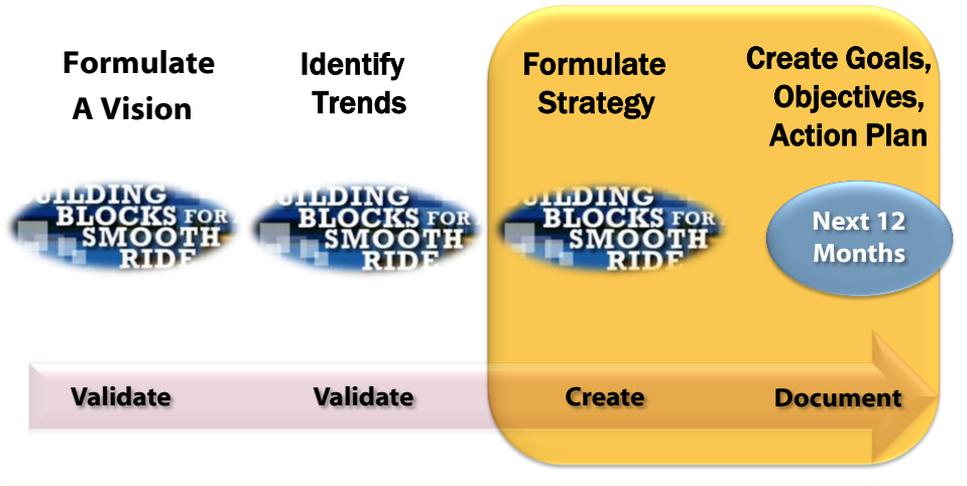
Non-DOT Federal Funds Can Be Used  
As Match For FTA Formula Grants

*Thank you SAFETEA-LU*

# Coordinated Transportation Task Force



# A Foundation For Your Strategic Plan



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